

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Financial Statements
July 1, 2010 to June 30, 2011

Mary E. Anderson
Certified Public Accountant

Osborne, Kansas
UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Financial Statements
July 1, 2010 to June 30, 2011
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Unified School District No. 452
Johnson, Kansas 67855

We have audited the accompanying financial statements of Unified School District No. 452, Johnson, Kansas, as of and for the year ended June 30, 2011, as listed in the table of contents and the individual fund financial statements for the District as of and for the year ended June 30, 2011. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and The Kansas Municipal Audit Guide. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above do not include financial data for the Unified School District's legally separate component unit, Stanton County Recreation Commission. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Unified School District's primary government unless the Unified School District also issues financial statements for the financial reporting entity that include the financial data for its component units. Component unit issues a separate audit report but all revenue flows through Unified School District No. 452. The effect on the financial statements of the omission of the component unit although not reasonably determinable, is presumed to be immaterial.

In our opinion, because of the District's policy to prepare its financial statements on the basis of accounting discussed in the preceding paragraph and the omission of the component unit financial data, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 452, Johnson, Kansas, as of June 30, 2011, or the results of its operations, and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended.

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However, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each of the various funds of Unified School District No. 452, Johnson, Kansas, as of June 30, 2011 and for the year then ended, and its cash receipts, cash disbursements, and expenditures compared to budget for the year ended, on the basis of accounting described in Note 1.

Also, in our opinion, the individual fund financial statements, as of and for the year ended June 30, 2011, of the Unified School District No. 452, Johnson, Kansas, present fairly, in all material respects, the unencumbered cash balances, cash receipts, and expenditures, on the basis of accounting described in Note 1.

The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements referred to above and, in our opinion, such additional information is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended solely for the use of Unified School District No. 452, Johnson, Kansas Board of Education and its management and other authorized federal and state audit agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Unified School District No. 452 Board of Education, Johnson, Kansas, is a matter of public record.

October 3, 2011

Mary E. Anderson
Certified Public Accountant

UNIFIED SCHOOL DISTRICT NO. 452

Johnson, Kansas

Summary of Cash Receipts, Expenditures, and Unencumbered Cash

For the Year Ended June 30, 2011

Funds	Beginning	Prior Year			Ending	Add	Ending
	Unencumbered	Cancelled	Cash	Expenditures	Unencumbered	Outstanding	
	Cash Balances	Encumbrances	Receipts	Expenditures	Cash Balance	Encumbrances and Accounts Payable	Cash Balance
General Fund	\$ -0-	\$ -0-	\$ 3,662,198	\$ 3,662,198	\$ -0-	\$ 202,978	\$ 202,978
Capital Outlay Fund	1,099,896	-0-	381,022	680,112	800,806	597,565	1,398,371
Special Revenue Funds							
Supplemental General Fund	94,230	-0-	1,131,083	1,140,000	85,313	265,648	350,961
Contingency Reserve Fund	386,892	-0-	-0-	-0-	386,892	-0-	386,892
Food Service Fund	115,082	-0-	257,928	268,882	104,128	-0-	104,128
Drivers Education Fund	10,083	-0-	8,000	299	17,784	42	17,826
Special Education Fund	296,462	-0-	393,846	330,294	360,014	-0-	360,014
KPERS Retirement Fund	-0-	-0-	185,638	185,638	-0-	-0-	-0-
Vocational Education Fund	1,963	-0-	32,000	32,000	1,963	5,939	7,902
Professional Development Fund	-0-	-0-	-0-	-0-	-0-	-0-	-0-
At Risk Funds- (4 year old)	-0-	-0-	40,000	40,000	-0-	303	303
At Risk Funds- (K-12)	-0-	-0-	466,070	466,070	-0-	13,525	13,525
Bilingual Education	-0-	-0-	215,000	215,000	-0-	-0-	-0-
Athletic Gate Receipts Fund	3,139	-0-	39,928	42,796	271	-0-	271
Student Project Funds	3,324	-0-	19,204	6,135	16,393	-0-	16,393
Grants	164	-0-	-0-	-0-	164	-0-	164
REAP Grant	-0-	-0-	30,946	30,946	-0-	21,385	21,385
Federal Funds	-0-	-0-	300,441	300,441	-0-	10,343	10,343
Fiduciary Funds							
Scholarship and Gifts	4,544	-0-	402	933	4,013	-0-	4,013
Sales Tax Fund	703	-0-	6,312	7,015	-0-	478	478
Recreation Commission	-0-	-0-	192,605	192,605	-0-	94	94
Rec. Commission Employee Benefits	891	-0-	47,510	48,401	-0-	2,401	2,401
Total Reporting Entity							
(Excluding Agency Funds, page 24)	<u>\$2,017,373</u>	<u>\$ -0-</u>	<u>\$ 7,410,133</u>	<u>\$ 7,649,765</u>	<u>\$ 1,777,741</u>	<u>\$ 1,120,701</u>	<u>\$2,898,442</u>

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended June 30, 2011

Composition of Cash:	First National Bank – Activity Funds	\$ 55,215
	Johnson State Bank – Money Market Acct	5,141
	First National Bank – Money Market Acct.	4,384
	First National Bank – Checking Acct.	1,779
	First National Bank – Petty Cash Acct.	2,852,868
	NOW Checking Acct. – Johnson State Bank	-0-
	Johnson State Bank – NOW Acct.	5,338
	Johnson State Bank – Money Market Acct.	20
	Johnson State Bank – Checking Acct.	<u>13,775</u>
	Total Cash	2,938,520
	Less Agency Funds (per Statement 3, Page 24)	<u>(40,078)</u>
	Total Primary Government (Excluding Agency Funds)	\$ <u>2,898,442</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
 Johnson, Kansas
 Summary of Expenditures - Actual and Budget
 (Budgeted Funds Only)
 For the Year Ended June 30, 2011

	<u>Certified Budget</u>	<u>Adjustment to Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance – Favorable (Unfavorable)</u>
<u>Funds</u>						
General Fund	\$ 3,968,269	\$ (214,733)	\$ 52,355	\$ 3,805,891	\$ 3,662,198	\$ 143,693
Capital Outlay Fund	800,000	-0-	7,021	807,021	680,112	126,909
Special Revenue Funds:						
Supplemental General Fund	1,140,000	-0-	-0-	1,140,000	1,140,000	-0-
Food Service Fund	416,867	-0-	-0-	416,867	268,882	147,985
Drivers Education Fund	20,322	-0-	-0-	20,322	299	20,023
KPERS Retirement Fund	275,000	-0-	-0-	275,000	185,638	89,362
Special Education Fund	609,435	-0-	-0-	609,435	330,294	279,141
Vocational Education Fund	32,000	-0-	-0-	32,000	32,000	-0-
Professional Development Fund	2,468	-0-	-0-	2,468	-0-	2,468
Federal Funds	229,536	-0-	-0-	229,536	300,441	(70,905)
At Risk Funds (K-12)	466,070	-0-	-0-	466,070	466,070	-0-
At Risk Funds (4 year old)	40,000	-0-	-0-	40,000	40,000	-0-
Bilingual Education	215,000	-0-	-0-	215,000	215,000	-0-
Recreation Fund	274,950	-0-	-0-	274,950	192,605	82,345
Recreation Employee Benefits	46,000	-0-	-0-	46,000	48,401	(2,401)
Gifts and Grants	<u>50,000</u>	<u>-0-</u>	<u>-0-</u>	<u>50,000</u>	<u>30,946</u>	<u>19,054</u>
Total Budgeted Funds	\$ <u>8,585,917</u>	\$ <u>(214,733)</u>	\$ <u>59,376</u>	\$ <u>8,430,560</u>	\$ <u>7,592,886</u>	\$ <u>837,674</u>

The notes to the financial statements are an integral part of this statement

UNIFIED SCHOOL DISTRICT NO. 452

Statement 3

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Johnson, Kansas

General Fund

Statutory Revenues and Expenditures - Statutory and Budget

For the Year Ended June 30, 2011

(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		Current Year		
	Prior Year <u>Actual</u>	Statutory <u>transactions</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Statutory Revenues:				
Taxes and Shared Revenue:				
Ad Valorem Property Tax-Prior Year	\$ 17,736	\$ 6,352	\$ 23,753	\$ (17,401)
Ad Valorem Property Tax-Current	2,048,220	1,429,141	1,350,162	78,979
Delinquent Tax	12,854	10,481	726	9,755
Mineral Production	56,208	105,330	-0-	105,330
State Special Education Reimbursement	233,755	179,275	300,000	(120,725)
Interest on Idle Funds	-0-	1,059	-0-	1,059
Refunds & Reimbursement	69,955	52,355	-0-	52,355
General State Aid	1,219,389	1,754,051	2,222,723	(468,672)
Education Jobs Grant	-0-	124,154	70,905	53,249
Federal ARRA Stabilization Funds	<u>177,902</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Statutory Revenues	<u>3,836,019</u>	<u>3,662,198</u>	<u>\$3,968,269</u>	<u>\$(306,071)</u>
Expenditures and Transfers:				
Instruction-Salaries	1,304,019	1,387,759	\$1,401,285	\$ 13,526
Other Purchased Instruction	67,214	13,632	25,000	11,368
Instructional Support Services	184	-0-	44,000	44,000
Student Support Services	64,604	61,589	64,725	3,136
General Administration-Salaries	289,237	265	166,000	165,735
General Administration-Other	54,934	289,642	88,177	(201,465)
School Administration-Salaries	336,378	221,656	245,250	23,594
School Administration-Other	69,636	-0-	5,465	5,465
Operations and Maintenance	618,582	684,529	743,700	59,171
Student Transportation	162,136	218,972	284,934	65,962
Education Jobs	-0-	124,154	-0-	(124,154)
Operating Transfers	869,095	660,000	685,000	25,000
Adjustment to Comply with Legal Max	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Legal General Fund Budget	3,836,019	3,662,198	3,753,536	91,338
Adjustment for Qualifying Budget Credits	<u>-0-</u>	<u>-0-</u>	<u>52,355</u>	<u>52,355</u>
Total Expenditures and Transfers	<u>3,836,019</u>	<u>3,662,198</u>	<u>\$3,805,891</u>	<u>\$ 143,693</u>
Statutory Revenues Over(Under) Expenditures	-0-	-0-		
Modified Unencumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Modified Unencumbered Cash, Ending	\$ <u>-0-</u>	\$ <u>-0-</u>		

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the school district to record any payment of general state aid that is due to be paid during the month of June and is paid to the school district after June 30, as a receipt for the school year ending on June 30. The above statement shows the revenue as required by these Statutes. See Note 2 – Cash Basis Compliance.

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Capital Outlay Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts:				
Ad Valorem Tax-Prior Year	\$ 3,802	\$ 1,571	\$ 5,488	\$ (3,917)
Ad Valorem Tax-Current	416,258	145,816	138,331	7,485
Delinquent Tax	3,001	1,953	147	1,806
Motor Vehicle Tax	12,306	12,339	9,960	2,379
RV Tax	-0-	243	-0-	243
Truck Tax	249	211	902	(691)
Interest on Idle Funds	9,244	11,868	5,000	6,868
Transfer from General Fund	300,000	200,000	200,000	-0-
Reimbursements	<u>11,167</u>	<u>7,021</u>	<u>-0-</u>	<u>7,021</u>
Total Cash Receipts	<u>756,027</u>	<u>381,022</u>	<u>\$ 359,828</u>	<u>\$ 21,194</u>
Expenditures and Transfers:				
Student Support Equipment	97,137	260	\$ 250,000	\$ 249,740
Support Staff	-0-	-0-	-0-	-0-
School Administration	-0-	-0-	-0-	-0-
Operations and Maintenance	2,314	73,771	350,000	276,229
Building Improvements, Engineer & Site	5,085	606,081	200,000	(406,081)
Transportation	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Legal Capital Outlay Budget	104,536	680,112	800,000	119,888
Adjustment for Qualifying Budget Credits	<u>-0-</u>	<u>-0-</u>	<u>7,021</u>	<u>7,021</u>
Total Expenditures & Transfers	<u>104,536</u>	<u>680,112</u>	<u>\$ 807,021</u>	<u>\$ 126,909</u>
Total Receipts Over (Under) Expenditures	651,491	(299,090)		
Unencumbered Cash, Beginning	<u>448,405</u>	<u>1,099,896</u>		
Unencumbered Cash, Ending	<u>\$ 1,099,896</u>	<u>\$ 800,806</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Supplemental General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year	<u>Actual</u>	<u>Budget</u>	Favorable
	<u>Actual</u>			<u>(Unfavorable)</u>
Cash Receipts:				
Taxes and Shared Revenue:				
Ad Valorem Property Tax-prior year	\$ 9,208	\$ 4,027	\$ 13,972	\$ (9,945)
Ad Valorem Property Tax-current year	1,066,974	1,088,978	1,110,990	(22,012)
Ad Valorem Property Tax-delinquent	6,924	6,432	379	6,053
Motor Vehicle Tax	27,276	30,533	24,571	5,962
RV Tax	585	604	2,225	(1,621)
Truck Tax	<u>528</u>	<u>509</u>	<u>-0-</u>	<u>509</u>
Total Cash Receipts	<u>1,111,495</u>	<u>1,131,083</u>	<u>\$ 1,152,137</u>	<u>\$ (21,054)</u>
Expenditures and Transfers:				
Instruction	237,975	152,016	\$ 204,335	\$ 52,319
General Administration	19,979	-0-	22,000	22,000
Student Support Services	25,337	109,861	88,000	(21,861)
School Administration	32,463	-0-	52,500	52,500
Operations and Maintenance	110,246	257,053	127,000	(130,053)
Operating Transfers	<u>655,255</u>	<u>621,070</u>	<u>646,165</u>	<u>25,095</u>
Total Expenditures and Transfers	<u>1,081,255</u>	<u>1,140,000</u>	<u>\$ 1,140,000</u>	<u>\$ -0-</u>
Receipts Over (Under) Expenditures	30,240	(8,917)		
Unencumbered Cash, Beginning	<u>63,990</u>	<u>94,230</u>		
Unencumbered Cash, Ending	<u>\$ 94,230</u>	<u>\$ 85,313</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Contingency Reserve Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts:		
Transfer from General	\$ <u>-0-</u>	\$ <u>-0-</u>
Total Cash Receipts	-0-	-0-
Expenditures and Transfers	<u>-0-</u>	<u>-0-</u>
Receipts Over (Under) Expenditures	-0-	-0-
Unencumbered Cash, Beginning	<u>386,892</u>	<u>386,892</u>
Unencumbered Cash, Ending	\$ <u>386,892</u>	\$ <u>386,892</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Food Service Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts:				
Federal Aid-National Lunch & Breakfast	\$ 165,563	\$ 145,112	\$ 157,489	\$ (12,377)
Federal Aid-Cash for Commodities	-0-	15,422	-0-	15,422
State Aid-School Food Assistance	3,099	2,945	2,504	441
Federal Aid-Food	-0-	8,180	-0-	8,180
Charges for Services-Student	59,275	77,561	88,008	(10,447)
Charges for Services-Other	7,994	8,708	7,347	1,361
Transfers from General	28,000	-0-	25,000	(25,000)
Transfers from Supplemental General	<u>25,000</u>	<u>-0-</u>	<u>25,000</u>	<u>(25,000)</u>
Total Cash Receipts	<u>288,931</u>	<u>257,928</u>	\$ <u>305,348</u>	\$ <u>(47,420)</u>
Expenditures and Transfers:				
Food Service Costs-Salaries	112,696	126,165	\$ 176,250	\$ 50,085
Food Service Costs-Food & Supplies	166,691	133,985	232,000	98,015
Capital Outlay	5,187	2,907	6,000	3,093
Other Charges	<u>5,266</u>	<u>5,825</u>	<u>2,617</u>	<u>(3,208)</u>
Total Expenditures and Transfers	<u>289,840</u>	<u>268,882</u>	\$ <u>416,867</u>	\$ <u>147,985</u>
Receipts Over (Under) Expenditures	(909)	(10,954)		
Unencumbered Cash, Beginning	<u>115,991</u>	<u>115,082</u>		
Unencumbered Cash, Ending	\$ <u>115,082</u>	\$ <u>104,128</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Drivers Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	<u>Prior Year</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance –</u> <u>Favorable</u> <u>(Unfavorable)</u>
Cash Receipts:				
Tuition	\$ -0-	\$ -0-	\$ -0-	\$ -0-
State Safety Aid	1,700	-0-	2,240	(2,240)
Transfer from Supplemental General	<u>5,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-0-</u>
Total Cash Receipts	<u>6,700</u>	<u>8,000</u>	\$ <u>10,240</u>	\$ <u>(2,240)</u>
Expenditures and Transfers:				
Instruction	6,788	-0-	\$ 18,322	\$ 18,322
Student Instruction	332	299	2,000	1,701
Operations & Maintenance	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures and Transfers	<u>7,120</u>	<u>299</u>	\$ <u>20,322</u>	\$ <u>20,023</u>
Receipts Over (Under) Expenditures	(420)	7,701		
Unencumbered Cash, Beginning	<u>10,503</u>	<u>10,083</u>		
Unencumbered Cash, Ending	\$ <u>10,083</u>	\$ <u>17,784</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Special Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year	<u>Actual</u>	<u>Budget</u>	Favorable
	<u>Actual</u>			<u>(Unfavorable)</u>
Cash Receipts:				
Transfer from General	\$ 420,000	\$ 393,846	\$ 320,000	\$ 73,846
Supplemental General	-0-	-0-	-0-	-0-
Miscellaneous Inc.	<u>513</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Cash Receipts	<u>420,513</u>	<u>393,846</u>	<u>\$ 320,000</u>	<u>\$ 73,846</u>
Expenditures and Transfers:				
Student Transportation	3,984	-0-	\$ 1,622	\$ 1,622
Cooperative Special Education	347,540	330,294	606,000	275,706
Other	2,611	-0-	-0-	-0-
Operation & Maintenance	<u>-0-</u>	<u>-0-</u>	<u>1,813</u>	<u>1,813</u>
Total Expenditures and Transfers	<u>354,135</u>	<u>330,294</u>	<u>\$ 609,435</u>	<u>\$ 279,141</u>
Receipts Over (Under) Expenditures	66,378	63,552		
Unencumbered Cash, Beginning	<u>230,084</u>	<u>296,462</u>		
Unencumbered Cash, Ending	<u>\$ 296,462</u>	<u>\$ 360,014</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
KPERS Retirement Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance – Favorable (Unfavorable)
Cash Receipts:				
State KPERS	\$ <u>216,481</u>	\$ <u>185,638</u>	\$ <u>275,000</u>	\$ <u>(89,362)</u>
Total Cash Receipts	<u>216,481</u>	<u>185,638</u>	\$ <u>275,000</u>	\$ <u>(89,362)</u>
Expenditures and Transfers:				
Employee Benefits – KPERS	<u>216,481</u>	<u>185,638</u>	\$ <u>275,000</u>	\$ <u>89,362</u>
Total Expenditures and Transfers	<u>216,481</u>	<u>185,638</u>	\$ <u>275,000</u>	\$ <u>89,362</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Unencumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Unencumbered Cash, Ending	\$ <u><u>-0-</u></u>	\$ <u><u>-0-</u></u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Vocational Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year	<u>Actual</u>	<u>Budget</u>	Favorable
	<u>Actual</u>			<u>(Unfavorable)</u>
Cash Receipts:				
Reimbursed Expenses	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfer from General	-0-	-0-	-0-	-0-
Transfer from Supplemental General	<u>32,000</u>	<u>32,000</u>	<u>32,000</u>	<u>- 0-</u>
Total Cash Receipts	<u>32,000</u>	<u>32,000</u>	\$ <u>32,000</u>	\$ <u>-0-</u>
Expenditures and Transfers:				
Instruction	32,000	15,193	\$ 31,100	\$ 15,907
Instructional Support Services	-0-	11,659	900	(10,759)
Capital Outlay	<u>-0-</u>	<u>5,148</u>	<u>-0-</u>	<u>(5,148)</u>
Total Expenditures and Transfer	<u>32,000</u>	<u>32,000</u>	\$ <u>32,000</u>	\$ <u>-0-</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Unencumbered Cash, Beginning	<u>1,963</u>	<u>1,963</u>		
Unencumbered Cash, Ending	\$ <u>1,963</u>	\$ <u>1,963</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Professional Development Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year	<u>Actual</u>	<u>Budget</u>	Favorable
	<u>Actual</u>			<u>(Unfavorable)</u>
Cash Receipts:				
State Department of Education	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfer from Supplemental General	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Cash Receipts	<u>-0-</u>	<u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
Expenditures and Transfers:				
Purchased Technical Services	510	-0-	\$ 2,468	\$ 2,468
Instructional Supplies	<u>149</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures and Transfers	<u>659</u>	<u>-0-</u>	\$ <u>2,468</u>	\$ <u>2,468</u>
Receipts Over (Under) Expenditures	(659)	-0-		
Unencumbered Cash, Beginning	<u>659</u>	<u>-0-</u>		
Unencumbered Cash, Ending	\$ <u>-0-</u>	\$ <u>-0-</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
At Risk Fund- 4 Year Old
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year			Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
Cash Receipts:				
Tuition	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Transfer from General	42,180	40,000	40,000	-0-
Transfer from Supplemental General	-0-	-0-	-0-	-0-
Miscellaneous	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Cash Receipts	<u>42,180</u>	<u>40,000</u>	\$ <u>40,000</u>	\$ <u>-0-</u>
Expenditures and Transfers:				
Instruction	41,399	37,307	\$ 40,000	\$ 2,693
Instructional Support	<u>781</u>	<u>2,693</u>	<u>-0-</u>	<u>(2,693)</u>
Total Expenditures and Transfer	<u>42,180</u>	<u>40,000</u>	\$ <u>40,000</u>	\$ <u>-0-</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Unencumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Unencumbered Cash, Ending	\$ <u>-0-</u>	\$ <u>-0-</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO.452
Johnson, Kansas
At Risk Funds - K-12
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance – Favorable (Unfavorable)
Cash Receipts:				
Transfer from General	\$ 36,915	\$ 50,000	\$ 50,000	\$ -0-
Transfer from Supplemental General	<u>431,255</u>	<u>416,070</u>	<u>416,165</u>	<u>(95)</u>
Total Cash Receipts	<u>468,170</u>	<u>466,070</u>	<u>\$ 466,165</u>	<u>\$ (95)</u>
Expenditures and Transfers:				
Instruction Salaries	462,979	450,122	\$ 463,570	\$ 13,448
Purchased Professional Services	2,802	2,251	2,500	249
Instructional Supplies	2,389	10,650	-0-	(10,650)
Instructional – Property and Other	<u>-0-</u>	<u>3,047</u>	<u>-0-</u>	<u>3,047</u>
Total Expenditures and Transfer	<u>468,170</u>	<u>466,070</u>	<u>\$ 466,070</u>	<u>\$ -0-</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Unencumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Unencumbered Cash, Ending	<u>\$ -0-</u>	<u>\$ -0-</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Bilingual Education Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		Variance –
	Prior Year			Favorable
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
Cash Receipts:				
Transfer from General	\$ 42,000	\$ -0-	\$ -0-	\$ -0-
Supplemental General	<u>162,000</u>	<u>215,000</u>	<u>215,000</u>	<u>-0-</u>
Total Cash Receipts	<u>204,000</u>	<u>215,000</u>	\$ <u>215,000</u>	\$ <u>-0-</u>
Expenditures and Transfers:				
Instruction	202,592	212,178	\$ 210,000	\$ (2,178)
Instructional Supplies	<u>1,408</u>	<u>2,822</u>	<u>5,000</u>	<u>2,178</u>
Total Expenditures and Transfers	<u>204,000</u>	<u>215,000</u>	\$ <u>215,000</u>	\$ <u>-0-</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Unencumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Unencumbered Cash, Ending	\$ <u>-0-</u>	\$ <u>-0-</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Statement of Cash Receipts, Expenditures and Balances
Athletic Gate Receipts, School Projects and Grants
For the Fiscal Year Ended June 30, 2011

	Beginning Unencumbered <u>Cash Balance</u>	Cash <u>Receipts</u>	Cash <u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>
Athletic Gate Receipts:				
High School	\$ <u>3,139</u>	\$ <u>39,928</u>	\$ <u>42,796</u>	\$ <u>271</u>
Totals - Cash Basis Totals to Statement 1	\$ <u>3,139</u>	\$ <u>39,928</u>	\$ <u>42,796</u>	\$ <u>271</u>
School Projects				
Elementary Music	\$ -0-	373	8	365
Elementary Projects	742	1,417	828	1,331
Middle School Projects	1,194	4,048	4,028	1,214
Tech Student Project	300	1	-0-	301
Stuco Grant	-0-	40	-0-	40
Box Tops	429	1,049	469	1,009
Band Middle School	270	185	455	-0-
Workbooks	25	375	310	90
Shop-High School	-0-	6,590	-0-	6,590
Year Book	-0-	4,864	9	4,855
Staff Project - High School	309	262	-0-	571
Staff Project – Elementary	<u>55</u>	<u>-0-</u>	<u>28</u>	<u>27</u>
Total Cash Basis to Statement 1	\$ <u>3,324</u>	\$ <u>19,204</u>	\$ <u>6,135</u>	\$ <u>16,393</u>
Grants				
Dale Dennis Excellence in Education	\$ <u>164</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>164</u>
Total Cash Basis to Statement 1	\$ <u>164</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>164</u>
REAP Grant				
REAP Grant	\$ <u>-0-</u>	\$ <u>30,946</u>	\$ <u>30,946</u>	\$ <u>-0-</u>
Total Cash Basis to Statement	\$ <u>-0-</u>	\$ <u>30,946</u>	\$ <u>30,946</u>	\$ <u>-0-</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Federal Funds
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011

	Beginning Unencumbered <u>Cash Balance</u>	Cash <u>Receipts</u>	Cash <u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Outstanding <u>Encumbrances</u>	Ending <u>Cash Balance</u>
Title I ESEA	\$ -0-	\$ 94,311	\$ 94,311	\$ -0-	\$ -0-	\$ -0-
Title I ARRA – Low Income	-0-	70,905	70,905	-0-	-0-	-0-
Title II-A Teacher Quality Improvement	-0-	21,586	21,586	-0-	4,095	4,095
Title II-D ED – ARRA	-0-	-0-	-0-	-0-	-0-	-0-
Title II-D Tech Literacy	-0-	319	319	-0-	-0-	-0-
Title IV Drug Free	-0-	-0-	-0-	-0-	-0-	-0-
Title III English Language	-0-	17,320	17,320	-0-	2,013	2,013
Title VI Migrant	<u>-0-</u>	<u>96,000</u>	<u>96,000</u>	<u>-0-</u>	<u>4,234</u>	<u>4,234</u>
Totals – Cash Basis Totals to Statement 1	\$ <u>-0-</u>	\$ <u>300,441</u>	\$ <u>300,441</u>	\$ <u>-0-</u>	\$ <u>10,342</u>	\$ <u>10,342</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Scholarships Endowment Funds & Gifts
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011

	Beginning Unencumbered <u>Cash Balance</u>	Cash <u>Receipts</u>	Cash <u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>
<u>Scholarship Fund</u>				
Coca-Cola Scholarship	\$ <u>250</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>250</u>
Subtotal	<u>250</u>	<u>-0-</u>	<u>-0-</u>	<u>250</u>
 <u>Awards & Gifts</u>				
9-12 Awards	2,780	250	736	2,294
9-12 – CD	468	152	152	468
Gifts – Elementary	101	-0-	45	56
Gifts – High School	<u>945</u>	<u>-0-</u>	<u>-0-</u>	<u>945</u>
Subtotal	<u>4,294</u>	<u>402</u>	<u>933</u>	<u>3,763</u>
Total	\$ <u>4,544</u>	\$ <u>402</u>	\$ <u>933</u>	\$ <u>4,013</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Sales Tax Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts:		
Sales Tax Collected	\$ <u>4,434</u>	\$ <u>6,312</u>
Total Cash Receipts	<u>4,434</u>	<u>6,312</u>
Expenditures and Transfers:		
Sales Tax Paid and Encumbered	<u>4,434</u>	<u>7,015</u>
Total Expenditures and Transfers	<u>4,434</u>	<u>7,015</u>
Receipts Over (Under) Expenditures	-0-	(703)
Unencumbered Cash, Beginning	<u>703</u>	<u>703</u>
Unencumbered Cash, Ending	\$ <u><u>703</u></u>	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO.452
Johnson, Kansas
Recreation Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance – Favorable (Unfavorable)
Cash Receipts:				
Taxes and Shared Revenue:				
Prior Year Ad Valorem Tax	\$ 2,375	\$ 982	\$ 3,430	\$ (2,448)
Ad Valorem Property Tax	260,161	182,215	172,905	9,310
Delinquent Tax	1,600	1,414	93	1,321
Motor Vehicle Tax	7,879	7,842	6,221	1,621
RV Tax	4	152	564	(412)
Miscellaneous Rev	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Cash Receipts	<u>272,019</u>	<u>192,605</u>	<u>\$ 183,213</u>	<u>\$ 9,392</u>
Expenditures:				
Transfer to Recreation Commission	<u>272,019</u>	<u>192,605</u>	<u>\$ 274,950</u>	<u>\$ 82,345</u>
Total Expenditures	<u>272,019</u>	<u>192,605</u>	<u>\$ 274,950</u>	<u>\$ 82,345</u>
Receipts Over (Under) Expenditures	-0-	-0-		
Encumbered Cash, Beginning	<u>-0-</u>	<u>-0-</u>		
Encumbered Cash, Ending	\$ <u>-0-</u>	\$ <u>-0-</u>		

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO.452
Johnson, Kansas
Recreation Commission Employee Benefit
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended June 30, 2011
(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	Prior Year			Variance –
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable</u> <u>(Unfavorable)</u>
Cash Receipts:				
Taxes and Shared Revenue:				
Prior Year Ad Valorem Tax	\$ 167	\$ -0-	\$ 242	\$ (242)
Ad Valorem Property Tax	18,420	46,775	44,338	2,437
Delinquent Tax	121	171	7	164
Motor Vehicle Tax	408	553	441	112
Recreational Vehicle Tax	<u>-0-</u>	<u>11</u>	<u>40</u>	<u>(29)</u>
Total Cash Receipts	<u>19,116</u>	<u>47,510</u>	\$ <u>45,068</u>	\$ <u>2,442</u>
Expenditures:				
Transfer to Recreation Commission	<u>18,225</u>	<u>48,401</u>	<u>46,000</u>	<u>(2,401)</u>
Total Expenditures	<u>18,225</u>	<u>48,401</u>	\$ <u>46,000</u>	\$ <u>(2,401)</u>
Receipts Over (Under) Expenditures	891	(891)		
Unencumbered Cash, Beginning	<u>-0-</u>	<u>891</u>		
Unencumbered Cash, Ending	\$ <u>891</u>	\$ <u>-0-</u>		

The notes to the financial statements are an integral part of this statement

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
School Activity Funds
Statement of Cash Receipts, Expenditures and Unencumbered Cash
For the Fiscal Year Ended June 30, 2011

	Beginning Unencumbered Cash Balance	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance
<u>Student Organization Funds</u>				
High School:				
Cheerleader	\$ 55	\$ 727	\$ 396	\$ 386
Student Council	2,774	29,897	31,524	1,147
Drama	1,362	-0-	-0-	1,362
Band / Vocal	157	-0-	-0-	157
Senior Class	612	1,046	902	756
Junior Class	896	15,271	13,129	3,038
Sophomore Class	3,917	4,785	3,344	5,358
Freshman Class	1,411	3,582	3,756	1,237
HALO	3,269	-0-	45	3,224
Golf	777	84	416	445
Volleyball	671	1,973	1,595	1,049
Basketball – Girls Boosters	13	200	200	13
Basketball- Boys Boosters	-0-	2,263	2,260	3
Pom Pom	79	192	46	225
Football	4,202	8,270	3,753	8,719
Cross Country	6,072	6,380	3,445	9,007
Special Ed/Speech	2	-0-	1	1
Art	1,097	8,730	8,195	1,632
Weight Room	43	-0-	-0-	43
TSA	808	885	1,512	181
Softball	239	448	723	(36)
Spanish Club	159	-0-	-0-	159
Track	76	1,128	1,207	(3)
Sub Total	<u>28,691</u>	<u>85,861</u>	<u>76,449</u>	<u>38,103</u>
Middle School:				
SCMS Shirts / Library	45	301	219	127
Volleyball Boosters	-0-	380	351	29
Cheerleaders	195	1,163	1,085	273
Awards	243	288	395	136
Sub Total	<u>483</u>	<u>2,132</u>	<u>2,050</u>	<u>565</u>
Elementary School:				
Library Book Fair	596	5,050	5,345	301
Band	192	-0-	-0-	192
5 TH Grade Project	2,185	1,499	2,767	917
Sub Total	<u>\$ 2,973</u>	<u>\$ 6,549</u>	<u>\$ 8,112</u>	<u>\$ 1,410</u>
Totals Activity Fund	<u>\$ 32,147</u>	<u>\$ 94,542</u>	<u>\$ 86,611</u>	<u>\$ 40,078</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Notes to Financial Statements
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Unified School District No. 452, Johnson Kansas operates as a municipal corporation in accordance with the laws of the State of Kansas. The District is governed by an elected seven member Board of Education and provides the following services: education, culture and recreation. The District receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. The District is a primary government and has one component unit. The component unit is not included in the Districts' reporting entity.

Component Unit

Unified School District No. 452 board appoints the majority of Stanton County Recreation commission board.

1. Recreation Commission. Stanton County Recreation Commission oversees recreational activities. The Recreation Commission can sue and be sued, but acquisition of real property by the commission must be approved by the Unified School District. The Unified School District levies taxes for the Recreation Commission. Bond issuances must be approved by the Unified School District. Financial statements of the recreation commission may be obtained from the Stanton County Recreation Office located in Johnson, Kansas. The Recreation Commission issues a separate Audit Report.

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Cash disbursements are recognized when the cash balance of a fund is decreased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A.1120a(c) waiving the requirement for application of generally accepted accounting principles which allows the District to revert to the statutory basis of accounting.

Departure from Generally Accepted Accounting Principles

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under United States of America generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with United States of America generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the District for the fiscal year ended June 30, 2011:

Governmental Funds Types:

General Fund -- to account for all unrestricted resources except those required to be accounted for in another fund, with limitation restrictions as required by the amended School District Finance and Quality Performance Act of 1992.

Special Revenue Funds -- to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Capital Outlay Fund -- to account for financial resources segregated for the acquisition and improvement of major capital facilities and equipment.

Contingency Reserve Fund -- to account for monies held in reserve to be used as designated in K.S.A. 72-6426, with carryover balance not to exceed 6% of the legal general fund budget.

Fiduciary Funds Type:

Trust and Agency Funds -- to account for assets held by the District in a trustee capacity or as an agent for individuals, other governmental units, private organizations and/or other funds. These include expendable and nonexpendable trust funds and agency funds. The student activity funds account for the receipt and disbursements of monies from student activity organizations which are under the jurisdiction of the District.

Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Expenditures in the amount of \$59,376 are classified as adjustments for qualifying budget credits in the general fund and capital outlay fund and are primarily reimbursed expenses and insurance proceeds. The District records a reimbursable expenditure as an expenditure in the fund that makes the disbursement and records the resulting reimbursement as revenue to that fund. Such expenditures are exempt from the "legal maximum" budget law under K.S.A. 79-2934.

Prior Year Cancelled Encumbrances (Statements 1 and 3). When payment is made on an encumbrance (or when a related accounts payable is created), the related encumbrance should be liquidated completely. This is particularly important for prior year encumbrances in which the related disbursement is less than the encumbered amount. Any unused portion of a prior year encumbrance: 1) cannot be used as expenditure authority for any purpose other than the original purchase order or contract, and 2) must be added back to unencumbered cash as an adjustment to beginning unencumbered cash as an adjustment to beginning unencumbered cash in Statements 1 and 3.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must apply the tax levy rates as determined by the amended School District Finance and Quality Performance Act of 1992. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

Taxes levied to finance the state mandated base rate of \$3,937 per pupil for budget purposes are sent to the State of Kansas as collected and are distributed by the State Treasurer to the District on a monthly basis according to the amended School District Finance and Quality Performance Act of 1992. (K.S.A.72-6410).

The statutes allow for the Board to increase the originally adopted budget for unbudgeted increases in revenue other than ad valorem property tax. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual revenues and expenditures compared to legally budgeted revenues and expenditures. The certified general fund budget totaled \$3,968,269 for the year ended June 30, 2011. \$3,753,536 was the "legal max" budget as calculated by the State Board of Education, thus the District was limited to that amount, which was \$214,733 lower than the published budget.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, student activity funds, textbook rental funds and contingency reserve funds.

Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

K.S.A. 72-6433 as amended allows Local Option Budget (LOB) called Supplemental General Fund which may be adopted by any district and may not exceed 25% of general state financial aid. The district must first adopt a LOB resolution which must be published once in a designated newspaper. If a petition in opposition is not filed within thirty (30) days of publication, the LOB is authorized. The legal maximum supplemental general fund budget was \$1,140,000 for the year ending June 30, 2011, as calculated by the State Board of Education. The published supplemental general fund was also \$1,140,000.

The District published and adopted a resolution for a capital outlay levy not to exceed four (4) mills for the purpose of construction, repair and remodeling of building and equipment purchases under authority of K.S.A. 12-1774. This levy commenced with the 2008-2009 school year and will continue through 2013-2014.

Depository Security Compliance

K.S.A. 9-1402 requires the District to obtain security in the amount of one hundred percent of deposits in excess of FDIC or FSLIC insurance coverage prior to depositing any public monies in any state bank, national bank or savings and loan institution. At year-end the carrying amount of the District's deposits, including certificates of deposit, was \$2,938,522. The bank balance was \$3,306,243. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$338,494 was covered by FDIC insurance and pledged securities of \$3,874,616.

A schedule of funds on deposit compared with depository coverage at June 30, 2011 is provided on page 35. Depository security as required by K.S.A. 9-1402 was adequate on June 30, 2010.

Investments

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2011 is entirely certificates of deposit and Money Market Accounts.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated "peak periods." All deposits were legally secured at June 30, 2011.

Stewardship Compliance

Checklist of compliance with other Kansas Statutes that pertain to Unified School District No. 452 is provided on page 36 and 37 of this report.

Cash Basis Compliance

The General Fund would have shown an ending unencumbered negative cash balance of \$ (108,573) for the year ending June 30, 2011 which is in compliance with Kansas Statutes Annotated 10-1113. As the State Government chose to make final aid payment of \$54,551 on July 11, 2011, K.S.A. 10-1116a (or 10-1116) provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and therefore, be exempt from the cash basis law of the State of Kansas. The following General Fund statement shows compliance with K.S.A. 10-1113.

UNIFIED SCHOOL DISTRICT NO.452

Johnson, Kansas

General Fund

Revenues and Expenditures - Cash and Budget

For the Year Ended June 30, 2011

(With Comparative Actual Totals for the Prior Year Ended June 30, 2010)

		<u>Current Year</u>		
	Prior Year <u>Actual</u>	Statutory <u>transactions</u>	<u>Budget</u>	Variance – Favorable (Unfavorable)
Statutory Revenues:				
Taxes and Shared Revenue:				
Ad Valorem Property Tax-Prior Year	\$ 17,736	\$ 6,352	\$ 23,753	\$ (17,401)
Ad Valorem Property Tax-Current	2,048,220	1,429,141	1,350,162	78,979
Delinquent Tax	12,854	10,481	726	9,755
Mineral Production	56,208	105,330	-0-	105,330
State Special Education Reimbursement	233,755	179,275	300,000	(120,725)
Interest on Idle Funds	-0-	1,059	-0-	1,059
Refunds & Reimbursement	69,955	52,355	-0-	52,355
General State Aid	1,010,213	1,854,654	2,222,723	(368,069)
Education Jobs Grants	-0-	124,154	70,905	53,249
Federal ARRA Stabilization Funds	<u>177,902</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Statutory Revenues	<u>3,626,843</u>	<u>3,762,801</u>	<u>\$3,968,269</u>	<u>\$ (205,468)</u>

	Prior Year <u>Actual</u>	Current <u>transactions</u>	<u>Budget</u>	Variance – Favorable (Unfavorable)
Expenditures and Transfers:				
Instruction-Salaries	1,304,019	1,387,759	\$1,401,285	\$ 13,526
Other Purchased Instruction	67,214	13,632	25,000	11,368
Instructional Support Services	184	-0-	44,000	44,000
Student Support Services	64,604	61,589	64,725	3,136
General Administration-Salaries	289,237	265	166,000	165,735
General Administration-Other	54,934	289,642	88,177	(201,465)
School Administration-Salaries	336,378	221,656	245,250	23,594
School Administration-Other	69,636	-0-	5,465	5,465
Operations and Maintenance	618,582	684,529	743,700	59,171
Student Transportation	162,136	218,972	284,934	65,962
Education Jobs	-0-	124,154	-0-	(124,154)
Operating Transfers	869,095	660,000	685,000	25,000
Adjustment to Comply with Legal Max	-0-	-0-	-0-	-0-
Legal General Fund Budget	3,836,019	3,662,198	3,753,536	91,338
Adjustment for Qualifying Budget Credits	-0-	-0-	52,355	52,355
Total Expenditures and Transfers	<u>3,836,019</u>	<u>3,662,198</u>	<u>\$3,805,891</u>	<u>\$ 143,693</u>

Statutory Revenues Over(Under) Expenditures(209,176) 100,603
 Modified Unencumbered Cash, Beginning -0- (209,176)

Mod. Unencumbered Cash(Def), Ending\$ (209,176) \$ (108,573)

3. COMPENSATED ABSENCES

Sick and Personal Leave

The District's policy allows each qualified teacher to accumulate a maximum of 72 days of sick leave at a rate of 12 days per year. This accumulated sick leave may also be used for illness of the teacher's immediate family. Personal leave days included in this leave is based on length of service in the District.

The twelve (12) days of annual allocation shall be granted at the start of each school year. If however, termination of the teacher's contract should occur, for whatever reason, during the contract year, one day of sick leave will be deducted from the total of the twelve (12) days accrued during that contract year for each twenty (20) days remaining on the contract. Should any teacher require more sick leave days in excess of the total number of days accrued in prior years, if any, plus the number of days which would have been accrued during the present contract year, less the deducted days, the teacher will have deducted from the earned salary an amount equivalent to one day's pay for each day of sick leave used beyond the total entitlement.

At the end of the school year, any teacher who accumulates over sixty days shall be eligible to receive \$75 per day for all days over the 60 of their accumulated sick leave up to a maximum payment of \$750. The cost of accumulated sick leave has not been estimated at June 30, 2010 as the amount is not material.

4. DEFINED BENEFIT PENSION PLAN

Substantially all employees of Unified School District No. 452, Johnson, Kansas participate in the Kansas Public Employees Retirement System (KPERS), a multiple-employer public employee retirement system. The payroll for employees covered by the System for the year ended was \$2,751,574; total payroll was \$2,971,117.

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. District employees' contributions are withheld by the district and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. State law sets a limitation on annual increases in the contribution rates. The State was to contribute 9.17% of covered payroll for the period July 1, 2010 to June 30, 2011. Kansas' contributions to KPERS for all public school employees for the years ending June 30, 2011, 2010 and 2009 were \$188,864,352 and \$248,468,106 respectively. The remaining balance for the 2nd Quarter of 2011 was contributed by the state after June 30, 2011. This amount was not included in this audit for USD 452.

5. OPERATING TRANSFERS

Recurring annual transfer between budgetary funds for the purpose of shifting resources from the fund legally required to receive revenue, to the fund authorized to expend the revenue and the statutory authority to do so are as follows:

<u>Authority</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
K.S.A. 72-6428	General Fund	Special Education	\$393,846
K.S.A. 72-6428	General Fund	Capital Outlay	\$200,000
K.S.A. 72-6428	General Fund	At Risk(4 year old)	\$ 40,000
K.S.A. 72-6428	General Fund	At Risk	\$ 50,000
K.S.A. 72-6433	Supplemental General	At Risk	\$416,070
K.S.A. 72-6433	Supplemental General	Bilingual	\$215,000
K.S.A. 72-6433	Supplemental General	Drivers Training	\$ 8,000
K.S.A. 72-6433	Supplemental General	Vocational Ed	\$ 32,000

6. LONG-TERM DEBT

The District had no long-term debt liabilities at June 30, 2011.

7. CAPITAL PROJECTS

The District had several Capital Projects that were begun during this fiscal year and were completed, or near completion on June 30, 2011.

8. LITIGATION

The District is a party to one lawsuit, with the outcome unknown at June 30, 2011. None of these claims are expected to have a material financial impact on the District.

9. SELF-INSURANCE FUND

The District does not have a self-insurance fund. Insurance coverage for physical damage to assets of the District and for various types of coverage for its employees is purchased through commercial insurance companies. Settlements for incurred claims have not exceeded coverage for the years 2011 and 2010. There also has been no significant reduction of coverage provided by the District.

10. 2010 FINANCIAL DATA

The amounts shown for 2010, in the accompanying financial statements are included, where practicable, only to provide a basis for comparison with 2011 and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles. Certain amounts for 2010 may have been reclassified to conform with the presentation of similar amounts for 2011.

11. GRANT FUNDS

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

Intergovernmental Assistance – State of Kansas

<u>Type of Aid</u>	<u>Fund</u>	<u>Amount Received</u>
State Equalization Aid	General Fund	\$ 1,754,051
State Food Service	Food Service Fund	2,945
State Dept. of Education	KS Health Foundation	500
State Dept. of Education	KPERS Contribution	185,638
State Special Education	Special Education Aid	<u>253,121</u>
Total Intergovernmental Assistance		\$ <u>2,196,255</u>

11. GRANT FUNDS (cont.)

Federal Financial AssistanceFederal Agency - Passed Through Kansas Department of Education

	<u>CFDA #</u>	<u>Beginning Balance</u>	<u>Amount Received</u>	<u>Amount Expended</u>	<u>Ending Balance</u>
US Department of Agriculture					
School Breakfast Program	10.553	\$ -0-	\$ 26,465	\$ 26,465	\$ -0-
National School Lunch	10.555	-0-	116,035	116,035	-0-
Cash for Commodities	10.555	-0-	15,422	15,422	-0-
Section II	10.555	-0-	2,612	2,612	-0-
SFS – SRS Food Sponsor	10.559	-0-	7,374	7,374	-0-
SFS – Food Sponsor	10.559	-0-	806	806	-0-
ESEA Title I-Low Income	84.010	-0-	94,311	94,311	-0-
Tech Literacy Title II-D	84.318	-0-	319	319	-0-
Improving Teacher Quality Title II-A	84.367	-0-	21,586	21,586	-0-
Migrant – Title I	84.011	-0-	96,000	96,000	-0-
English Language	84.365	-0-	17,320	17,320	-0-
Stabilization ARRA	84.394	-0-	70,905	70,905	-0-
Education Jobs Fund	84.410	<u>-0-</u>	<u>124,154</u>	<u>124,154</u>	<u>-0-</u>
Total Federal Financial Assistance		\$ <u>-0-</u>	\$ <u>593,309</u>	\$ <u>593,309</u>	\$ <u>-0-</u>

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Funds on Deposit Compared With Depository Coverage
June 30, 2011

<u>Financial Institution</u> <u>/Address</u>	<u>FDIC Coverage</u>	<u>Market</u>	<u>Securities Pledged</u> <u>& letter of credit</u> <u>Value</u>	<u>Coverage</u>	<u>Funds</u> <u>on</u> <u>Deposit</u>	<u>Funds</u> <u>at</u> <u>Risk</u>
First National Bank Syracuse, Kansas						
Demand deposits	\$ 250,000		-0-	250,000	64,218	-0-
Investment & Time	<u>250,000</u>		<u>3,874,616</u>	<u>4,124,616</u>	<u>3,217,749</u>	<u>-0-</u>
Total	\$ <u>500,000</u>		<u>3,874,616</u>	<u>4,374,616</u>	<u>3,281,967</u>	<u>-0-</u>
Johnson State Bank Johnson, Kansas						
Demand deposits	\$ 250,000		-0-	250,000	10,501	-0-
Investments	<u>250,000</u>		<u>-0-</u>	<u>250,000</u>	<u>13,775</u>	<u>-0-</u>
Total	\$ <u>500,000</u>		<u>-0-</u>	<u>500,000</u>	<u>24,276</u>	<u>-0-</u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452

OMB Circular A-133 Single Audit Report

June 30, 2011

(With Independent Auditors' Reports Thereon)

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas

OMB Circular A-133 Single Audit Report

June 30, 2011

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**Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

The Board of Education
Unified School District No. 452
Johnson, Kansas 67855

We have audited the financial statements of the governmental activities supported by Federal Awards of Unified School District No. 452, Johnson City, Kansas, as of and for the fiscal year ended June 30, 2011, which collectively comprise Unified School District No. 452, Johnson City, Kansas basic financial statements and have issued our report thereon dated September 7, 2010. Our report on the basic financial statements was modified because the District prepares its financial statements to comply with the Kansas Municipal Audit Guide and the Budget Regulations of the State of Kansas. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit Guide. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, but were audited by another entity.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Unified School District No. 452's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatement caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 452's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Unified School District No. 452, Johnson, Kansas, in a separate letter dated October 3, 2011.

This report is intended solely for the information and use of the Board of Education of Unified School District No. 452, Kansas Department of Education , and other Authorized Federal and State Agencies; federal awarding agencies; and pass-through entities, and is not intended to and should not be used by anyone other than these specified parties.

Mary E. Anderson
Certified Public Accountant

October 3, 2011

**Independent Auditors' Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

The Board of Education
Unified School District No. 452
Johnson, Kansas

Compliance

We have audited the compliance of Unified School District No. 452 with the types of compliance requirement described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the fiscal year ended June 30, 2011. Unified School District No. 452's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of United States Unified School District No. 452's management. Our responsibility is to express an opinion on Unified School District No. 452's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District No. 452's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Unified School District No. 452's compliance with those requirements.

In our opinion, Unified School District No. 452, Johnson, Kansas complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the fiscal year ended June 30, 2011.

Internal Control Over Compliance

The management of Unified School District No. 452 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Unified School District No. 452's internal control over compliance with requirements that could have a direct and material effect on major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more internal control components does not reduce to relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants cause by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Unified School District No. 452 as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated October 3, 2011. Our report on the basic financial statements was modified because we did not audit the financial statements of the discretely presented component unit. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Unified School District No. 452's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Education, Johnson City, Kansas, and other federal awarding agencies; and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Mary E. Anderson
Certified Public Accountant

October 3, 2011

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Schedule of Expenditures of Federal Awards
Fiscal Year Ended June 30, 2011

Federal Grantor/Federal Financial Assistance Program/ Pass-Through Grantor			Federal CFDA	FY11 Federal
Program Cluster Title		Unified School District No. 452	Number	Expenditure
UNITED STATES DEPARTMENT OF AGRICULTURE				
School Breakfast Program	KS Department of Education	USDA-National School Breakfast Program	10.553	26,465
National School Lunch	KS Department of Education	USDA-Nat. School Lunch & Sp. Milk Program	10.555	116,035
Cash for Commodities	KS Department of Education	USDA-Cash for Commodities	10.555	15,422
Section II	KS Department of Education	USDA-Section II	10.555	2,612
SFS-Food Sponsor	KS Department of Education	USDA-Food Sponsor	10.559	806
SFS-Food	KS Department of Education	USDA-Food Sponsor	10.599	7,374
UNITED STATES DEPARTMENT OF EDUCATION				
Title I - ESEA	KS Department of Education	United States Department of Education	84.010	94,311
Title II-A - Improving Teacher Quality	KS Department of Education	United States Department of Education	84.367	21,586
Title I - Migrant	KS Department of Education	United States Department of Education	84.011	96,000
Flo-thru English Language	KS Department of Education	United States Department of Education	84.365	17,320
ARRA Title II-Tech Literacy	KS Department of Education	American Recovery & Reinvestment Act	84.386	319
ARRA Stabilization Fund Grant-Gen. Fund	KS Department of Education	American Recovery & Reinvestment Act	84.394	70,905
Education Jobs Funds	KS Department of Education	American Recovery & Reinvestment Act	84.410	<u>124,154</u>
			Total	<u>593,309</u>

UNIFIED SCHOOL DISTRICT NO. 452

Notes to Schedule of Expenditures of Federal Awards

June 30, 2011

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) presents the activity of all federal awards programs of Unified School District No. 452, for the fiscal year ended June 30, 2011. For the purposes of the schedule, federal awards include grants, contracts, and agreements entered into directly between United School District No. 452, and agencies and departments of the federal government or passed through other government agencies or other organizations.

(2) Basis of Accounting and Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule are presented using the cash basis of accounting, which is described in note 1 to Unified School District No. 452's basic financial statements. Related federal financial reports are prepared on the cash basis of accounting.

(3) Grants to Subrecipients

The accompanying schedule includes no federal expenditures that have been passed through to subrecipients.

UNIFIED SCHOOL DISTRICT NO. 452

Schedule of Findings and Questioned Costs

June 30, 2011

(1) Summary of Auditors' Results:

- (a) The type of report issued on the basic financial statements: **Qualified Opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the basic financial statements: **Staff not sufficient for full internal control procedures.**
Material weakness: **No**
- (c) Noncompliance which is material to the basic financial statements: **No**
- (d) Reportable conditions in internal control over the major program: **None reported**
Material weakness: **No**
- (e) The type of report issued on compliance for the major program: **Unqualified Opinion**
- (f) Any audit findings which are required to be reported under Section .510(a) of OMB Circular A-133: **No**
- (g) Major programs
 - CDFA #84.011 – Title I-Migrant
 - CDFA #84.010 – Title I-ESEA-Low Income
 - CDFA #10.555 – National School Lunch Program
 - CDFA #84.394 – Federal ARRA Funds passed through the Kansas Department of Education
 - CDFA #84.410 – Education Jobs Fund
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$65,000**
- (i) Auditee qualified as a low-risk auditee under Section .530 of OMB Circular A-133: **No**

(2) Findings Relating to the Basic Financial Statements Reported in Accordance with Government Auditing Standards: None

(3) Findings and Questioned Costs Relating to Federal Awards: None

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Food Service Fund
Schedule of Federal Grant Pass -Through
For the Year Ended June 30, 2011

	<u>Actual</u>
Cash Receipts:	
Federal Aid-National Lunch - CFDA 10.555	\$ <u>116,035</u>
Total Cash Receipts	<u>116,035</u>
Expenditures and Transfers:	
Food Service Costs-Food & Supplies	<u>116,035</u>
Total Expenditures and Transfers	<u>116,035</u>
Receipts Over (Under) Expenditures	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Title I - ESEA
Schedule of Federal Grant Pass- Through
For the Year Ended June 30, 2011

	<u>Actual</u>
Cash Receipts:	
Title I - ESEA	\$ <u>94,311</u>
Total Cash Receipts	<u>94,311</u>
Expenditures and Transfers:	
Instruction	<u>94,311</u>
Total Expenditures and Transfer	<u>94,311</u>
Receipts Over (Under) Expenditures	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.

Supplemental
Schedule 3

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Title I - Migrant
Schedule of Federal Grant Pass -Through
For the Year Ended June 30, 2011

	<u>Actual</u>
Cash Receipts:	
Title I - Migrant	\$ <u>96,000</u>
Total Cash Receipts	<u>96,000</u>
Expenditures:	
Instruction	<u>96,000</u>
Receipts Over (Under) Expenditures	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
ARRA Stabilization Grant
Schedule of General Fund Federal Grant Pass -Through
For the Year Ended June 30, 2011

	<u>Actual</u>
Cash Receipts:	
American Recovery and Reinvestment Act Grant	\$ <u>70,965</u>
Total Cash Receipts	<u>70,965</u>
Expenditures and Transfers:	
Instruction	50,905
Student Instruction	<u>20,000</u>
Total Expenditures and Transfers	<u>70,905</u>
Receipts Over (Under) Expenditures	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 452
Johnson, Kansas
Education Jobs Funds
Schedule of General Fund Federal Grant Pass -Through
For the Year Ended June 30, 2011

	<u>Actual</u>
Cash Receipts:	
Education Jobs Fund	\$ <u>124,154</u>
Total Cash Receipts	<u>124,154</u>
Expenditures and Transfers:	
Instruction	<u>124,154</u>
Total Expenditures and Transfers	<u>124,154</u>
Receipts Over (Under) Expenditures	\$ <u><u>-0-</u></u>

The notes to the financial statements are an integral part of this statement.